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DRAFT #2
3 January 1980

MEMORANDUM FOR: Robert W. Gambino
Chairman, DCI Security Committee

FROM:
Executive Secretary

SUBJECT: Security Committee

1. With 1979 behind us the accomplishments and shortfalls of the Committee can be appropriately reviewed.

2. The Committee was reorganized and located under your chairmanship in March 1978 in accordance with the Director's desire that adequate resources be dedicated and proper commitments made so as to accomplish much more in security on a Community level than in the past, and that a truly concerted attack be made on policy and implementation discrepancies between the agencies in all major security dimensions.

3. There is reason to believe that a proper commitment by members has been made. Attendance at regular monthly meetings has been regular either by principals or authorized representation. There have been some changes but senior security officers continue to represent their departments or agencies.

4. The Committee held 15 regular meetings and 3 special meetings from its reorganization to the end of 1979. The special meetings covered FOIA, technical security threats, and the report on the [] investigation. []

5. The Committee has continued to accept invitations of members. Meetings have been hosted by the Army, where their deputy addressed the committee, by the FBI, where Director Webster addressed the membership, and by NSA, where Deputy Director Robert Drake spoke. []

6. The Committee held a two day seminar [] to review the applicability and timeliness of basic charter changes, organization problems, progress toward goals and procedural activities. []

7. The subcommittees and working groups continue to be alert and move progressively toward accomplishments of charges. They generally meet monthly prior to meetings of the full Committee and reports by their chairmen are regular agenda items.

Subcommittee

Number of Meetings
March 1978-December 1979

Compartmentation
Chaired by Air Force

7

Computer Security
Chaired by NSA

18

Research & Development
Chaired by CIA

13 plus one
special meeting

<u>Subcommittee</u>	<u>Number of Meetings</u> <u>March 1978-December 1979</u>	
Technical Surveillance Counter-measures Chaired by CIA	11	
Unauthorized Disclosures Investigations Chaired by NSA	1	25X1A
Working Group Security Advisory Group USSR Chaired by State	8	
Physical Security Standards Working Group Chaired by Committee staff for Working Group	7	
Investigative Standards Working Group Chaired by State	7	<i>Plus four Exceptional/Staff work sessions.</i>
SCI Denials Working Group Chaired by DIA	5	
Security Awareness Working Group Chaired by NSA	20	plus ² one special briefing for C/SECOM 25X1

8. The Security Committee has accomplished the following in discharge of responsibilities set for it in its charter -
Director of Central Intelligence Directive No. 1/11. 25X1

9. Mission: Ensure establishment of security policies and procedures including recommendations for legislation for the protection of intelligence and intelligence sources and methods from unauthorized disclosure. 25X1

10. The Security Committee forwarded to the DCI's General Counsel and Legislative Counsel proposed legislation calling for legal sanctions against leaks and unauthorized disclosures.

Significant consideration was given to the Security Committee's proposal but legislative action has been repeatedly postponed and delayed by the Hill in preference to work on an overall legislative package describing and circumscribing lawful limits of activities by the U.S. intelligence community. ☐

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11. Mission: Review and formulate personnel, physical and document security policies, standards and practices and dissemination procedures applicable to all organizations of the Executive Branch as such policies, standards, practices and procedures relate to the protection of intelligence sources and methods in consideration of the effectiveness, risks and cost factors involved. ☐

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12. The Security Committee, concerned about indications of varying personnel practices carried out by departments and agencies in adjudication of background investigations of candidates and employees, drafted adjudication guidelines for Community use. Extended coordination involving various agency General Counsels centered on whether or not homosexuality could be considered an automatic bar to employment. Resolution of this issue was succeeded by objections from NSA that the guidelines should be explicitly labeled as optional for Community agency use. The NSA objection is still being considered by the General Counsel. ☐

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① Publication Jan 1974 and update in July 1979
of Bibliography of Security Awareness Personnel
and Materials available in the Intelligence Community

② ALEP Security Awareness W G preparation of
Approved For Release 2003/06/26 : CIA-RDP82M00591R000200120071-0
A) Senior Executive Briefing
B) Mid level briefing ~~to~~ sensitivity of intel methods

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13. In connection with physical security the Committee has undertaken a review and update of the 1973 USIB "Uniform Physical Security Standards for the Protection of Sensitive Compartmented Information." This is to capitalize on current state of the art equipment and hardware, modify physical security requirements so as to structure a standard level of protection acceptable to all members of the Community, and to incorporate realistic requirements in view of today's environment. Opportunity is being taken in drafting stages to seek input from the contractor sphere. ☐ 25X1

14. In the area of document and information security, the Committee has undertaken the review and update of DCID 1/7 "Control of Dissemination of Foreign Intelligence." A year-long coordination effort was necessary to resolve differences over such matters as foreign release of intelligence. Efforts to eliminate the NOFORM caveat in favor of policy that intelligence not be released to foreign governments without specific approval were unsuccessful. A draft revision of the DCID was approved by the Committee in November 1979 and sent to the NFIB with DCI approval. ☐ 25X1

15. There have been attempts to upgrade personnel security standards for those with access to National Foreign Intelligence. The first such attempt followed on the initiation of the APEX study. Based on the assumption that acceptance of APEX would result in the dissemination of a considerable volume of

formerly compartmented intelligence, an effort was made to require a higher level of clearance standard for all personnel with access to National Foreign Intelligence. The effort was abandoned because of unacceptable cost estimates and the inability of some departments to segregate NFI from the larger volume of classified national security information. It was estimated that half of the cleared people in DoD have access to NFI and, if their clearance requirements were at the DoD TOP SECRET level as a condition for access to NFI, the cost would exceed \$176 million. Another approach was to append to E.O. 12065 a standard level of clearance procedures for each level of classification. Thus, personnel nominated for access to Confidential material would have to meet a common clearance criterion; those nominated for access to SECRET level material would have to meet a higher one; and those nominated for TOP SECRET material would be processed through an even more thorough screening. Insufficient interest was evident in the Community to pursue such standards at this time. ☐

16. The Committee drafted, NFIB approved, and the DCI published DCID 1/20, "Security Policy Concerning Travel and Assignment of Personnel with Access to Sensitive Compartmented Information," effective 6 June 1978. Subsequent actions have resulted in a Committee review of risk areas on a semi-annual basis. ☐

*Should Include in this Section
Establishment of SECOP Policy of Exchange
of SCI Denials Information*

17. Mission: "Review and formulate policies and procedures governing the release of intelligence to foreign governments and international organizations and the review of classified intelligence proposed for release to the public through declassification or other actions..." ☐

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18. Committee deliberations on ways and means to govern release to foreign governments and international organizations have been overtaken by events. The Secretary of Defense proposed and the DCI concurred in formation of a senior level group to prepare a National Disclosure Policy on Intelligence similar to the national policy on release of national security information. The DCI's representative to this group has been drawn from his Intelligence Community Collection/Tasking Staff. ☐

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Release to the public through declassification or other action has not been addressed by the Committee. ☐

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19. Mission: "Ensure that appropriate lawful investigations are made aware of any unauthorized disclosure or compromise of intelligence or of intelligence sources and methods and that the results of such investigations, along with appropriate recommendations, are provided to the Director of Central Intelligence." ☐

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20. The Committee was briefed on ☐

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☐ and is awaiting a report from DIA on whether or not

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National Foreign Intelligence was compromised. The Security Committee, in recognition of the continued leak problem, elevated the Unauthorized Disclosures Working Group to a subcommittee under NSA Chairmanship, tasked to coordinate in-house investigations toward discovery of sources of leaks. Some difficulty has been experienced due to unanticipated work load encountered by the NSA Chairman in his other job. ☐ 25X1

In a recent case ☐ 25X1
Committee members conducted in-house investigations and provided the FBI with results. This action narrowed considerably the scope and detail of investigation required by the FBI and allowed them to concentrate resources in areas outside the NFIB agencies where Committee members could not investigate. Future sharing of investigative requirements and other actions in selection of leaks to be investigated may result in closer Department of Justice cooperation. ☐ 25X1

21. Mission: "Ensure the development, review and use of effective means to defend sensitive U.S. installations or personnel against technical surveillance." ☐ 25X1

22. The Technical Surveillance Countermeasures Subcommittee (TSCS) continues to serve as an active element in providing training, evaluation of equipment, and general information sharing among member departments and agencies.

A recently compiled report for the Committee indicates shortfalls in personnel and equipment resources among most member agencies. Finds of technical penetration devices during the past 18 months demonstrate the continued worth of the individual member efforts in this field. ☐

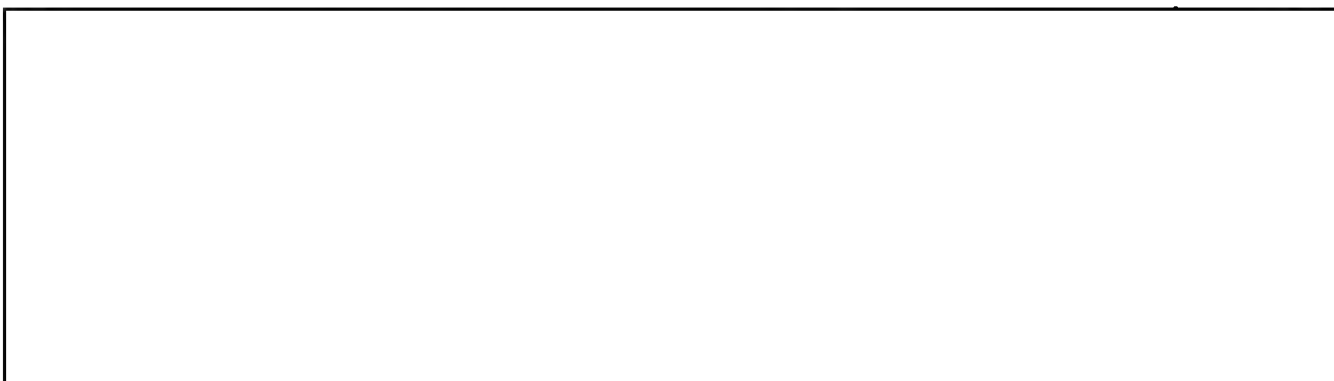
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An extensive effort by Committee member agencies was undertaken on direction of the DCI to investigate ☐

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While the purpose of ☐ was not definitively resolved, considerable data was collected and a general agreement reached that ☐ did not represent a technical threat. ☐

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23. Mission: "Review special security and compartmentation procedures and develop proposals for any necessary changes to achieve optimum use of intelligence consistent with protection of sensitive intelligence sources and methods." ☐

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24. The Committee prepared, and NFIB approved and published DCID 1/19 "Uniform Procedures for Administrative Handling and Accountability of Sensitive Compartmented Information (SCI)," effective 6 June 1978. ☐

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The Committee Staff was actively engaged in the DCI-directed review and resultant APEX Control System for SCI. Many representatives of the Compartmentation Subcommittee participated as departmental representatives on various panels and working groups associated with the APEX exercise. ☐

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25. Mission: "Ensure the development, review and maintenance of security standards and procedures for the protection of intelligence stored in or processed by computers." ☐

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26. The Computer Security Subcommittee prepared, the Committee endorsed, and the NFIB approved and issued DCID 1/16, Security of Foreign Intelligence in Automated Data Processing Systems and Networks," effective 6 June 1978. This superseded the May 1976 version and expanded the scope to cover all intelligence information in ADP systems and networks, including SCI. The Computer Security Subcommittee provides the means of sharing and exchanging knowledge about developments in the rapidly changing world of ADP. Review of different systems, and identification of strengths and weaknesses, allows members to better serve in departmental roles for the protection of intelligence stored in or processed by computers. The Subcommittee encounters conflicting interests by virtue of the fact that OMB seeks standards and GSA requires competitive bidding. The intelligence community's security standards for

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intelligence in ADP programs will continue to be subject to increasing pressures as the Community moves toward more and more networking. ☐

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27. Mission: "Establish and direct an aggressive and imaginative program of research and development leading to improved security equipment and techniques." ☐

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28. The Committee has endorsed and followed through on several recommendations by its R&D Subcommittee. These include R&D on audio countermeasures equipment and development of test standards for use of local oscillators in privately owned radios in classified areas. Some other areas of investigation were looked at and subsequently tabled because of lack of available funds. Among these are proposals to control unauthorized reproductions, and use of space age technology (metals and ceramics) in new safe and vault construction. ☐


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29. The DCI's desire for dedication of increased resources to service the Community's security needs have been met with the formation of a small element attached to the Office of the Deputy DCI for Support. Termed the Community Security Group, (CSG) the element consists of seven professional and two clerical positions provided by the CIA. A senior FBI agent and an Air Force Colonel are assigned. The CSG serves as the staff arm of the Security Committee and provides services and coordination to the Subcommittees. The staff has prepared manuals for administration of the APEX compartmentation

system to both government and industry; developed a security plan for U.S. interests in the USSR including proposals for security in the construction of the new U.S. Embassy in Moscow;



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adjudication standards and SCI appeals procedures; coordinated the DCI's required zero-base review of SCI clearances; coordinated Committee staff papers; reviewed the possibility of upgrading Community personnel security standards for access to National Foreign Intelligence; drafted security procedures for use by the U.S. Foreign Intelligence Surveillance Court; and has served as the Chairman's coordinator and advisor to subcommittees and working groups. In addition, the Group provides security advisors to other NFIB Committees and DCI-directed Community study and working groups as necessary. 

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30. In order to meet temporary requirements expeditiously, the Committee has established several working groups. Among these are the Security Advisory Group USSR, Security Awareness Working Group, Investigative Standards Working Group, and the SCI Denials Working Group. They perform specific work in response to tasking from the Chairman and the Committee. The Security Advisory Group--USSR affords Community input and advice to the Department of State related to security matters associated with construction of the new U.S. Embassy and facilities in Moscow. The Security Awareness Working Group has compiled listings of all security education materials

available for sharing in the Community and prepared security education programs for indoctrinations and briefings. The Investigative Standards Working Group continues to review and develop detailed analysis of the Community's personnel security investigative procedures and practices in an attempt to determine optimum and cost effective investigations. The SCI Denials Working Group prepared a notification system which enables Committee members to exchange certain information related to individuals who have been denied SCI access. ☐ 25X1

31. Current Issues: The Committee presently is addressing the following issues.

a. Revision of its charter, DCID 1/11. A third draft was sent to SECOM members on 31 December 1979. (U)

b. Refinement and maintenance of the security plan for the new U.S. Embassy in Moscow, particularly in the light of knowledge gained by the Security Advisory Group USSR ☐ 25X1

c. Completing the analysis of the Community survey of personnel security investigative data. ☐ 25X1

d. Continuing the review and revision of Community physical security standards. ☐ 25X1

e. Assessing recommendations on personnel security by the HPSCI. ☐ 25X1

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